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MANITOBA HYDRO

OFFICE OF THE VICE-PRESIDENT

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SENT VIA FACSIMILE - (202) 973-7610

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Office of the Secretary
Case Control Unit
Attention: STB Ex Parte No. 582
1925 K. Street, N.W.
Washington, D.C. 20423-0001

ENTERED
Office of the Secretary

MAR 15 2000

**Part of
Public Record**

Dear Sir:

Manitoba Hydro is a Winnipeg-based power utility. The majority of our generating plants are hydro-electric. We also have two thermal which use coal to produce steam. Coal, sourced from the Powder River Basin, is delivered by rail via BN, CP and CN. The purpose of this letter is to comment on the issues to be discussed on March 8, 2000 in Ex Parte No. 582.

We encourage the Surface Transportation Board to focus on whether the proposed CN-BNSF merger is good for shippers. As a customer, Manitoba Hydro's concern is service and cost. Ensuring these are maintained is central to our interests.

The timing of the proposed CN-BNSF merger is not a significant issue for our company.

In our view, the Surface Transportation Board has a comprehensive process to evaluate railroad transactions and protect the customer's interests. It should fairly evaluate the CN-BNSF merger according to that process.

Yours truly,

A.M. Snyder
Vice-President
Power Supply

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